

2019 DRAFTING REQUEST

Bill

For: Administration-Budget 608-266-8593 Drafter: mmcgreev
 By: Kretschmann Secondary Drafters:
 Date: 2/13/2019 May Contact:

Same as LRB:

Submit via email: YES
 Requester's email:
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Pre Topic:

DOA:.....Kretschmann, BB0353 -

Topic:

Return-to-work for public employees

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	mmcgreev 2/13/2019	ccarmich 2/13/2019	lparisi 2/13/2019		Retirement

FE Sent For: <END>

McGreevy, Mary Alice

From: Knepp, Fern
Sent: Tuesday, February 12, 2019 9:12 PM
To: McGreevy, Mary Alice
Cc: Pleviak, Krista
Subject: FW: Statutory Language Drafting Request - 2019-21

[REDACTED]

Fern

From: Hanaman, Cathlene
Sent: Tuesday, February 12, 2019 5:16 PM
To: Pleviak, Krista; Knepp, Fern
Subject: FW: Statutory Language Drafting Request - 2019-21

From: Kretschmann, Kyle - DOA <Kyle.Kretschmann@wisconsin.gov>
Sent: Tuesday, February 12, 2019 5:06 PM
To: Hanaman, Cathlene <Cathlene.Hanaman@legis.wisconsin.gov>
Cc: Hynek, Sara - DOA <Sara.Hynek@wisconsin.gov>; Kretschmann, Kyle - DOA <Kyle.Kretschmann@wisconsin.gov>
Subject: Statutory Language Drafting Request - 2019-21

Biennial Budget: 2019-21

Topic: Rehiring Annuitants

Tracking Code: BB0353

SBO Team: EWD

SBO Analyst: Kretschmann, Kyle
Phone: 608-266-8593
E-mail: kyle.kretschmann@wisconsin.gov

Agency Acronym: 255

Agency Number: 255

Priority: High

Intent:

Restore pre-2013 Act 20 law regarding rehiring annuitants, including the 30-day (instead of 75 days) break-in-service requirement and the choice of whether to terminate the annuity or continue to receive it.

Attachments: False

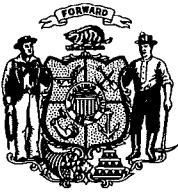
Please send completed drafts to SBOSatlanguage@spmail.enterprise.wistate.us



2/13/19

Per Kletschmann -

Limit to teacher annuitants
who are hired as teachers
or provide teacher services



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1989/P1
MIM:cdc

DOA:.....Kretschmann, BB0353 - Return-to-work for public employees

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

RETIREMENT AND GROUP INSURANCE

Under current law, if a Wisconsin Retirement System annuitant, or a disability annuitant who has attained his or her normal retirement date, is appointed to a position with a WRS-participating employer, or provides employee services to a WRS-participating employer in which he or she is expected to work at least two-thirds of what is considered full-time employment by the Department of Employee Trust Funds, the annuity must be suspended and no annuity payment is payable until after the participant again terminates covered employment.

This bill creates an exception to this requirement for an annuitant who retired from employment as a teacher with a school district who is subsequently rehired or provides employee services as a teacher after retirement if: 1) the participating employer is a school district; 2) at least 30 days have elapsed from the date the person left covered employment with a school district; 3) at the time the person initially retires from a school district, the person does not have an agreement with any school district to return to employment; and 4) the person elects to not become a participating employee at the time the person is rehired as a teacher by a school district or enters into a contract to provide employee services as a teacher after retirement. In other words, the bill allows a teacher annuitant who retired from a school district to return to work as a teacher for a school district that is a participating employer and elect to not become a participating employee for purposes

of the Wisconsin Retirement System, and instead continue to receive his or her annuity.

Because this bill relates to public employee retirement or pensions, it may be referred to the Joint Survey Committee on Retirement Systems for a report to be printed as an appendix to the bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 40.22 (1) of the statutes is amended to read:

2 40.22 (1) Except as provided in sub. (2) and s. 40.26 (6), each employee
3 currently in the service of, and receiving earnings from, a state agency or other
4 participating employer shall be included within the provisions of the Wisconsin
5 retirement system as a participating employee of that state agency or participating
6 employer.

7 **SECTION 2.** 40.22 (2m) (intro.) of the statutes is amended to read:

8 40.22 (2m) (intro.) An Except as otherwise provided in s. 40.26 (6), an employee
9 who was a participating employee before July 1, 2011, who is not expected to work
10 at least one-third of what is considered full-time employment by the department,
11 as determined by rule, and who is not otherwise excluded under sub. (2) from
12 becoming a participating employee shall become a participating employee if he or she
13 is subsequently employed by the state agency or other participating employer for
14 either of the following periods:

15 **SECTION 3.** 40.22 (2r) (intro.) of the statutes is amended to read:

16 40.22 (2r) (intro.) An Except as otherwise provided in s. 40.26 (6), an employee
17 who was not a participating employee before July 1, 2011, who is not expected to work
18 at least two-thirds of what is considered full-time employment by the department,
19 as determined by rule, and who is not otherwise excluded under sub. (2) from

1 becoming a participating employee shall become a participating employee if he or she
2 is subsequently employed by the state agency or other participating employer for
3 either of the following periods:

4 **SECTION 4.** 40.22 (3) (intro.) of the statutes is amended to read:

5 40.22 (3) (intro.) ~~A~~ Except as otherwise provided in s. 40.26 (6), a person who
6 qualifies as a participating employee shall be included within, and shall be subject
7 to, the Wisconsin retirement system effective on one of the following dates:

8 **SECTION 5.** 40.26 (6) (intro.), (a) and (b) of the statutes are created to read:

9 40.26 (6) (intro.) Subsections (1) to (5) do not apply to a participant who applies
10 for an annuity or lump sum payment during the period in which at least 30 days have
11 elapsed between the participant's termination of employment as a teacher with a
12 school district that is a participating employer, and becoming a teacher as an
13 employee or contractor providing employee services as a teacher with any school
14 district that is a participating employer if all of the following conditions are met:

15 (a) At the time the participant terminates his or her employment as a teacher
16 with a school district, the participant does not have an agreement with any school
17 district that is a participating employer to return to employment as a teacher or enter
18 into a contract to provide employee services as a teacher for the school district.

19 (b) The participant elects on a form provided by the department to not become
20 a participating employee.

21 **SECTION 9313. Initial applicability; Employee Trust Funds.**

22 (1) WRS TEACHER ANNUITANTS. The treatment of ss. 40.22 (1), (2m) (intro.), (2r)
23 (intro.), and (3) (intro.) and 40.26 (6) first applies to participants under the Wisconsin

1 Retirement System who terminate employment on the effective date of this
2 subsection.

3 (END)